

Column One
by David Courtney

MORALITY — the old, familiar kind — has become a bit frayed at the edges. Liberalism, the 19th-century Liberalism, seems to have had its gracious day. Now the thing to be is "realistic" — to set an end and be damned about the means.

THE Krupp, for example, are to get the equivalent of 25 million marks in "compensation." Now, we all know about Krupp, how they armed the Germans of the Franco-Prussian War, and the Germans of the 1914-18 war and became enriched by their pains. They were the big armament manufacturers in the wide world in those days and on their bullets and shrapnel and bomb-casings were written the names of some tens of millions of common or garden folk from France, Britain, Belgium, Russia — even America. Anyway they are to be put on their feet again — Krupp, not the tens of millions.

PERHAPS, without risking the star of "19th century Liberalism," — or of early 20th century Social Democracy for that matter — may require what this means: what a revived Krupp portfolio in London is said to be put on their feet again — Krupp, not the tens of millions.

ALL this has nothing to do with the policy of the Atlantic Treaty nations or the policy of the Soviet bloc. It is merely a question which the serious mind may still have the right to ask. There are several such right questions; and most of them, oddly, touch Germany.

FOR example, if you read this paper yesterday you will have noticed that a Yugoslav mother had been applying through the German courts for the return of her boy Ivan, aged 11 years, who was kept by a former Nazi S.S. after his father had been shot by the Germans and his mother sent to Auschwitz. The German court, by two to one, refused the mother's request. She then took the case to the U.S. High Commission Court of Appeal at Frankfurt, which upheld the German court's decision, saying: "Although Yugoslavia seems not to be a social and democratically as most Communist dictatorships, we think it compares unfavourably economically with free enterprise in Western Germany as a place to be brought up in."

HERE, of course, is a new and extremely interesting judicial standpoint — that if, if the report from Frankfurt is true, it is very difficult to believe that it is true. If it is true, then no judicial titans outside Germany can disguise the fact that a judgment of extraordinary significance has been given, about which we should know a little more if only to enable us to even those of us who are "realists" and just as contemptuous of 19th century Liberalism as any Communist — to adjust our minds to a new set of values.

AFTER all, it is probably not beyond human capacity to be at the same time realistic and intelligent; just as, we may be quite sure, it is well within the capacity of the Western nations to fulfil their mission without too much reliance on institutions like Krupp and without such an extraordinary variation of Bonaparte's judgment as that given at Frankfurt.

20 E. German Police Desert to West
BERLIN, Wednesday (AFP). — Twenty members of the Soviet zone's People's Police Force deserted yesterday into Western Berlin. This was the largest number of deserters registered in a single day.

Gov't Wins Vote
On Arms, 69-13

The Knesset yesterday overwhelmingly endorsed the agreement with the United States for the purchase of arms and for the negotiations in Washington for military aid within the framework of the Mutual Security Act. The test came in a vote of a non-confidence motion introduced by Mapam and supported by the Communists. The motion was defeated by 69 votes to 13, as the General Zionists and the Progressives swung behind the coalition, and Herut indicated that they supported the Government's action but could not get themselves to vote for the Government.

In the course of a brief debate preceding the vote, the Mapam spokesman, Mr. Itzhak Ben-Aharon, asserted that the Government's action but could not get themselves to vote for the Government.

The Foreign Minister, Mr. Moshe Sharet, replied later that there were no restrictions on the use of the arms for defence of the State.

The discussion was veiled since members were not free to make public details of the agreement which had been discussed in confidence to the Foreign Affairs and Security Committee. Mr. Ben-Aharon, however, drew several conclusions. He said the agreement involved Israel's participation in a collective or regional defence pact, which would mean that Israel would be required to supply equipment and arms from its own production to a third party, if called upon to do so.

Mr. Sharet said that the Mapam speaker had misrepresented the facts and their real significance when he said that a foreign power would have jurisdiction over the use of the arms. However, Mr. Sharet did not attempt to enlighten the House. He said that the Foreign Affairs and Security Committee had left it to the Government to decide if and when details of the agreement should be made public, and the Government had not yet reached a decision.

Debate on Teachers
Seminary Rejected

The Knesset voted yesterday against holding a debate on the proposed action by the Minister of Education in setting up a national teachers' seminary at Beth Hakerem. The vote was 46 to 35.

The religious parties who had been taking a leading part in agitating against the proposed action because they regarded it as a step toward unifying education, voted against a Knesset debate. It was explained later that they had been assured at a meeting of the coalition executive that the matter would be reconsidered by the Government.

Entrance Law Passed
The Admission to Israel Law passed its final reading. It permits the Minister of Interior to issue transit visas for five days and to extend them for another 10; visitors' visas — three months extendable up to two years more; temporary residence visas — three years extendable for another two years; and permanent resident's visas.

Three bills had their first readings last night: 1) An amendment to the Companies' Ordinance making it possible for companies to register their capital in any foreign currency. 2) An amendment to the Companies Ordinance permitting the Finance Minister to exempt certain companies from the requirement to publish their accounts. 3) An amendment to the Labor Law (Financial Institutions) enabling the Government to authorize the banks to increase the Government's revolving fund. The law is to be passed in three parts in accordance with an agreement with the banks to loan some \$100 million to the Government in other matters.

Sharet May Sign Reparations
In Luxembourg in Fortnight

Foreign Minister Moshe Sharet is expected to sign the reparations agreement with West Germany in Luxembourg, it was reported yesterday. It is believed that Chancellor Konrad Adenauer who is also Foreign Minister will sign for his country.

Both delegations are at present working on the wording of the final draft in which agreement on the question of the stability of the mark has been solved.

After the draft is initiated by both delegations, it is to be sent to Israel and Germany for Government approval. It is believed that it will be signed during the second week in September.

The first \$40m. from the German reparations are to be included in the one-year import programme, the drafting of which is now nearing completion. It was learned in Jerusalem last night.

About half of this is to be used for the purchase of fuel.

U.K., France Raise
Israel Legations
To Embassies

MAKERYA, Wednesday. — The diplomatic missions of Israel in London and Paris and those of Britain and France in Israel are to be raised to ambassadorial level tomorrow morning, the Foreign Ministry spokesman announced here tonight.

The official statement read: "The Government of Israel has decided to raise the status of its diplomatic missions in London and Paris from Legations to Embassies. This has been done in agreement with the Governments of the United Kingdom and France, the status of whose diplomatic missions in Israel is being similarly raised."

It is unofficially understood that the initiative for this step came from Britain. The status of the Legations of both those countries in a number of Arab states is also to be raised to Ambassadorial level.

Compulsory Tax On
Property Tabled

The Compulsory Property Tax or Loan Bill, the second part of the compulsory loan introduced with the exchange of currency last June is to be tabled in the Knesset today, it was announced in Jerusalem yesterday.

It is understood that the Bill gives property owners a free choice between a levy or a 15-year loan. The loan will be graduated from six to 12 per cent of the property's value, and the tax from three to six per cent.

The tax must be paid within three years, and the loan within a much shorter period. If the value of the property does not exceed IL10,000, the first IL5,000 will be exempt. The amount exempted will gradually decrease for property valued at more than IL10,000 until at IL15,000 there will be no exemptions. If rent from houses and apartments is the investor's only income, the first IL5,000 will be exempt even if the total evaluation exceeds IL10,000.

The Bill includes detailed instructions for valuing and classifying both movable and immovable property. Finance Minister Levi Eshkol yesterday received a delegation of 12 lawyers who asked to see the Government's proposed changes in the British and French missions here, and it is presumed that Sir Francis Evans and M. Edouard-Felix Guyon will continue here as Ambassadors.

World Court Dispute
On US-France Dispute

THE HAGUE, Wednesday (Reuters). — The U.S. and France have agreed to refer to the World Court the dispute over the U.S. claim that the French Government could not rely on the 1948 regulation of imports of U.S. nationals, as it was against the treaty provisions between France and the U.S.

Citrus Growers And
Gov't Agree on Terms

An agreement on the export of 3m. cases of citrus was initiated by Mr. Y. Efrati, Deputy Minister of Agriculture, and representatives of the Citrus Marketing Board in Jerusalem last night.

While the agreement has yet to be approved by the Cabinet, a Board delegation will leave for Scandinavia and Britain tomorrow to negotiate. The total citrus export this year is estimated at 3m. cases. The 3m. cases remaining after the export will be marketed locally, half for direct consumption and half for industry.

Disarmament Body
Rejects Soviet Offer

UNITED NATIONS, Wednesday (Reuters). — The U.N. Disarmament Commission today rejected a Soviet proposal to take up the question of the prohibition of germ warfare immediately after the debate on the tripwire warning paper had been completed.

YUGOSLAVIA AND U.S.
LEADING IN CHESS

HELEINKI, Wednesday (UPI). — Yugoslavia remained a half point ahead of the U.S. in the Group A chess tournament when play was ended last night, although a number of games in the sixth round have yet to be finished.

Israel slipped into fourth place in Group B, a half point behind Cuba.

British and U.S.
Envoys Confer
With Mossadegh

TEHRAN, Wednesday. — Persia's relations with Britain and the U.S. were discussed today at a conference when U.S. Ambassador Loy Henderson and British Charge d'Affaires George Middleton called on Premier Mossadegh.

This was revealed by a statement after the conference, which lasted three and a half hours. Further clarification was also sought by Mr. Middleton on Persia's note to Britain on August 7 which offered

Communists Protest
'Slaughter' of PoW's

TOKYO, Wednesday (Reuters). — Chief Communist trustee delegate General Nam at Panmunjom today accused the U.N. of the "slaughter and cowardly slaughter" of war prisoners, alleging one had been killed and 32 wounded since August 11.

Chief U.N. delegate General William Harrison did not reply to the charge today. He said later the Communist unwillingness to answer satisfactorily a U.N. request for permission to send comfort parcels to their men in Communist hands made questionable the sincerity of their avowed adherence to the Geneva Convention.

United Nations authorities disclosed today that four prisoners died, 44 were injured by gunfire and 22 in other ways in prison camps — mainly in North Korea — since early July. The figures disclosed as men wounded on Kije Island on August 11.

This riot was disclosed only yesterday. A spokesman then said the news was delayed because of changes in the administration of the prison camps on the island. We said the riot broke out when "agitators and fanatics" refused to stop "singing frenziedly" in their compound. U.N. troops threw 80 tear-gas bombs without silencing them but brought the men under control after firing "several rounds of bird shot."

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Khushchev Tells Communists
Not to Quash Criticism

LONDON, Wednesday (Reuters). — Soviet Communist Party officials were warned yesterday that attempts to suppress criticism may lead to their expulsion from the Party, the Soviet news agency, TASS, reported.

The warning was given in a report prepared by M. Nikita Khrushchev, Politburo member and one of Russia's leading 12 men for submission to the 19th All-Union Congress of the Communist Party to be held in Moscow in October.

M. Khrushchev said in his report "there exists among some Communists the harmful opinion that Party members should not report shortcomings in work to leading party bodies up to and including the Central Committee" (the body of 70 or more members which in effect governs the Party).

He added, "There are not infrequent instances of responsible workers preventing Communists from disclosing to leading party organizations and to the Central Committee an unfavorable state of affairs for the simple reason that this allegedly hampers them in their work."

"It is clear that the Party is obliged to wage an implacable fight against such behavior," the report added, and said that "a passive and formal attitude of Communists towards decisions of the Party is incompatible with Party membership."

Maheer May Quit Over
Land Reform Squabble

TUNIS Dispute To Be Argued in Paris

TUNIS, Wednesday (Reuters). — Premier Salah Eddine Baccouch and French Resident General Jean de Hauteclocque have announced their intention of going to Paris tomorrow. There appears, however, to be some confusion following the announcement by the Premier's staff that he and Mme. Baccouch would sail for France but would not be in Paris for some time, in contradiction to an official announcement by the Resident General that the Premier and de Hauteclocque would travel together by plane direct for Paris.

Observers here indicate the Premier's desire to act independently in his consultations with the French Government and regard the Resident General's announcement as a means to prevent this.

In Paris the Foreign Ministry stated that de Hauteclocque had arranged to accompany the Premier by air as far as Marseilles from where the latter would motor to the resort.

U.S. Policy On
Arms To Egypt

WASHINGTON, Wednesday (UPI). — The State Department today said that the possibility of large U.S. arms shipments to Egypt depended on that country's willingness to join a Western-backed Middle East defense organization.

He added that there had been no official discussion with Egypt on the possibility of extending financial and military assistance.

The U.S. attitude was outlined by a State Department spokesman after a meeting between Egyptian Premier Ali Maher and the U.S. Ambassador Jefferson Caffery. Maher said afterwards that he had asked the U.S. to provide Egyptian police with the most advanced automatic weapons.

'Al Misri' Predicts
Big Developments

CAIRO, Wednesday (Reuters). — Serious political developments are expected in the next 24 hours, the pro-Wafd Party newspaper "Al Misri" said today without giving any details. It added that "in the last few days important meetings have been held to discuss the U.S. agrarian reform plans limiting land ownership."

Most of the meetings were attended by Dr. Abdel Razak Sanhuri, President of the State Council (supreme court) who later left for Alexandria and has since remained there, the paper said.

General Mohammed Nagib, Army C-in-C, who is known to be pressing for early enactment of agrarian reform, saw Premier Ali Maher for three hours last night. Later the Premier told reporters that he hoped elections would be held before next February.

All Maher disclosed that some hours earlier he had discussed with U.S. Ambassador Jefferson Caffery social questions and the best use in Egypt of the U.S. Point Four Program. He said they also discussed the question of arming Egyptian police with modern weapons.

The Premier said the question of amending Egypt's constitution should be left until after the solution of the nation's economic problems and reorganization of government machinery.

Lebanese Army Games

Some 6,500 Lebanese soldiers participated in summer maneuvers of the Lebanese army which began at Dahar in the Lebanese mountains on Tuesday, the Arab News Agency reported yesterday. They are being held to test the efficiency of heavy artillery and anti-aircraft units and armored columns.

General Tewfik Saleh, Commander-in-Chief, and Defence Minister Emir Majid Azzelani were present in addition to foreign military attaches and correspondents.

Blues Sink
Green Warship

THE AVIV, Wednesday. — A convoy of the Blue Navy is approaching the shores of the Blue State in the final stage of the year's summer naval maneuvers. An Army spokesman tonight reported on the continuation of activity in the month war between the Blues and the Greens which began last Friday.

On Saturday night the Green naval base was attacked by the Blues as a diversionary move. The judges ruled that the saboteurs had succeeded in sinking one Green warship and damaging a second. As a result of this attack the Blues declared war on the Greens, who were attempting to bring a convoy back to their shores through the Green blockade aided by an air umbrella.

Intense combat between the Blue fleet and the Green ships has been going on for the past few days, with both sides jockeying for position in an attempt to destroy the other the time and place of battle. Air Force planes are providing support for both sides in the maneuvers.

Israel-Egypt MAC
Meet at Aja

A meeting of the Israel-Egypt Mixed Armistice Commission took place at Aja el-Hafir on Tuesday, an Army spokesman announced yesterday. The Commission dealt with several complaints on its committee's agenda. Major W. Fancher was chairman of the session. Agnes Alfus S. Ramati represented Israel and Lt. Col. S. Gohar headed the Egyptian delegation.

The next meeting was set for Thursday, September 4, to continue the discussions.

After Midnight

The French Embassy in Cairo yesterday informed Egypt that France had made "representations" to Israel over the recent transfer of Israel's Foreign Ministry to Jerusalem.

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